Delaware Public Employees' Retirement System New State Police Pension Plan



Retirement Planning

Presented by the State of Delaware Office of Pensions

Statistics (as of 6/30/17)

- 33,424 Retirees (including terminated vested) from all nine plans
 - 251 from New State Police Pension Plan (NSP)
- 43,744 Active Members in all nine plans
 - 703 in NSP
- Over \$9.5 billion + in the Delaware Public Employees' Retirement System (8 pension plans, 1 length of service award plan, 3 post-retirement trusts, 1 investment pool)
 - Assets of \$428.6 million in the NSP
 - Approximately 86.5% funding ratio in the NSP

Pension Contributions

- 7% of compensation
 - Excludes overtime payments and special payments for extra duties
 - Pre-tax
- Employer

Fiscal Year 2018 (beginning July 2017):

- 21.17% pension contributions
- .36% future retiree health care fund
- .54% post retirement increase fund
- .61% current retiree health care

Total employer contributions = 22.68%

Retirement Eligibility — Service Pension

- 20 years of credited service
- 10 years of credited service due to age (Age 55)
- Age plus credited service (but not less than 10 years) equals 75

Retirement Eligibility – Vested Pension

- Must have 10 years of credited service
- Pension is effective first of the month following 62nd birthday

Unified Pension

- May combine service in the following Pension Plans with service in the New State Police provided not collecting a monthly pension from them
 - County & Municipal General Employees'
 - State Employees'
 - County & Municipal Police & Firefighters

Disability Pension Eligibility

- Duty Connected Immediate
 - A disability resulting from an act which would normally occur only while employed as a police officer (e.g. high-speed chase, effecting an arrest, pursuing a suspect, patrolling [criminal or traffic], etc.)
- Non-Duty Connected 5 years credited service
- Condition expected to last for at least 12 months

Amount of Disability Pension - Duty

- Total 75% of final average monthly compensation plus 10% for each dependent not to exceed 25% for all dependents
- Partial calculated the same as a Service Pension subject to minimum 50% of final average monthly compensation

Amount of Disability Pension – Non-Duty

- Total calculated the same as a Service Pension subject to minimum 50% of final average monthly compensation plus 5% for each dependent not to exceed 20% for all dependents
- Partial calculated the same as a Service Pension subject to a minimum of 30% of final average monthly compensation

Buy-In Option Upon Retirement

 Actuarial – Fulltime Uniformed Police Service

Can be used to establish eligibility

*Buy-in option must be approved and/or verified by the Office of Pensions prior to retirement

Amount of Service Pension

- Service up to and including 20 years
 - Multiplied by 2.5% of final average monthly compensation
- Service above and beyond 20 years
 - Multiplied by 3.5% of final average monthly compensation

Final average monthly compensation: The monthly average of the highest 36 consecutive months or 3 periods of 12 consecutive months of compensation (excluding overtime and special pay for extra duties)

Who is an Eligible Survivor?

- A <u>survivor</u> is a person eligible to receive a monthly pension at the time of the active member or pensioner's death
 - Spouse
 - Child/children under age 18, unmarried, and if between the ages of 18 and 22, a full-time student
 - Child permanently disabled as a result of a disability that began before the child attained age 18
 - Dependent parents

Amount of Survivor Pension

- Death of an active member = 50% monthly average compensation
- Death of an active member in the line of duty = 75% of monthly average compensation
- Death of a retired member = 50%, 66.67%, 75%, or 100% of service or disability pension according to election at time of retirement

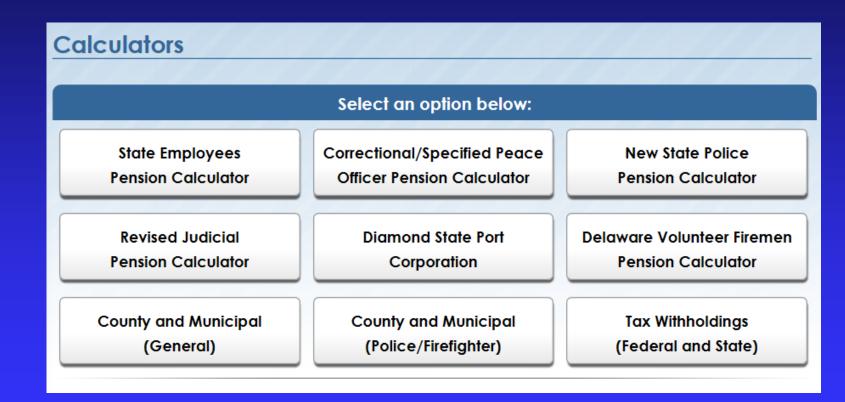
Who is a Beneficiary?

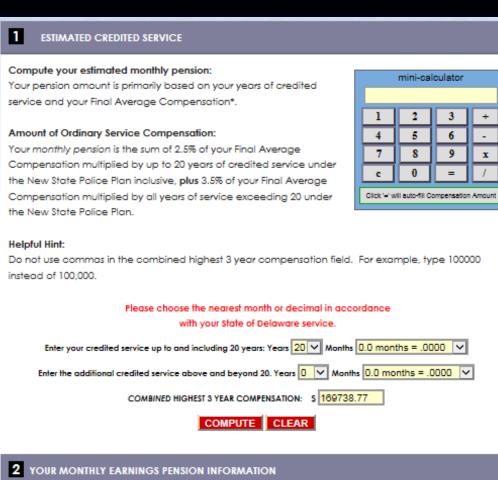
• A <u>beneficiary</u> is named on the Member Actuarial Information form or the Contributory Designation/Change of Beneficiary form and receives a lump sum distribution of the balance of member paid pension contributions, plus interest, in the event that there is no eligible survivor at the time of the member's death

Calculating Your Estimated Monthly Pension Visit www.delawarepensions.com

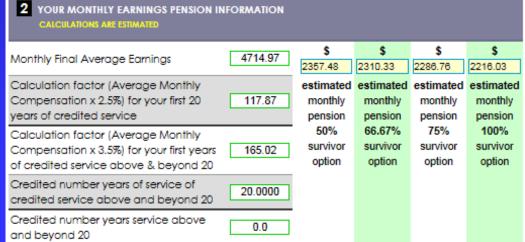


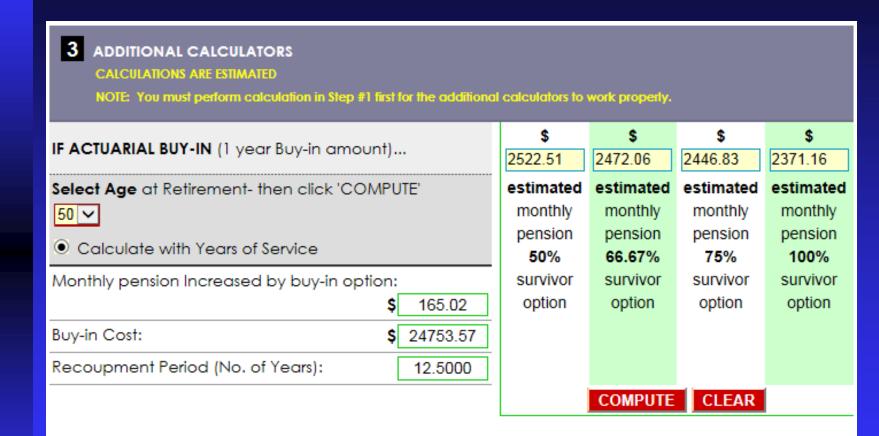
Calculating Your Estimated Monthly Pension





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Print a complete Estimate Summary based on the data input.

- All plans coupled with prescription plan coverage (except special Medicfill non-prescription coverage option)
 - Changes in coverage once a year during the open enrollment period in May; changes are effective July 1st
 - Medicare—eligible members' open enrollment period occurs in October; changes effective January 1st
- Life Changing Event Changes must be done within 30 days of the event

- Health benefits are available with the "State Share" paid by the State of Delaware for members:
 - First hired prior to 7/1/1991
 - Disability Pensioners

• For members first hired on or after 7/1/1991 through 12/31/06, the following portion of the "State Share" will be paid by the State of Delaware:

•	Less than 10 years of credited service	0%
•	10 years – 14 years 11 months	50%
•	15 years – 19 years 11 months	75%
•	At least 20 years	100%

• For members first hired on or after 1/1/07, the following portion of the "State Share" will be paid by the State of Delaware:

•	Less than	15 years	of credited	service	0%
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- 15 years 17 years 5 months 50%
- ▶ 17 years 6 months − 19 years 11 months 75%
- At least 20 years 100%

Example

Non-Medicare Rates Effective July 1, 2016								
	Total Monthly Rate	State Share	Pensioner Pays					
Highmark Delaware First State Basic Plan								
Employee	\$695.36	\$667.52	\$27.84					
Employee & Spouse	\$1,438.68	\$1,381.16	\$57.52					
Employee & Child(ren)	\$1,057.02	\$1,014.76	\$42.26					
Family	\$1,798.42	\$1,726.50	\$71.92					

Member first hired on 10/16/1991 retiring with 14 years of pension creditable service

Chooses Employee coverage: \$667.52 x 50% = \$333.76 + \$27.84 = \$361.60 per month

Contact the Office of Pensions

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